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The 1967 Central Intelligence Agency Scandal: Catalyst in a Transforming Relationship between State and People

Tity de Vries

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On February 14, 1967, the *New York Times* front-page headline read: "A Student Group Concedes It Took Funds from C.I.A." The article by the reporter Neil Sheehan unleashed a series of revelations about secret operations of the Central Intelligence Agency (CIA). Since the 1950s the agency had apparently been financing independent, private organizations and institutions that seemed to bear little relevance to the official tasks of the CIA, namely to collect information abroad that was relevant to America's national security. The day before, the underground magazine *Ramparts* bought a full-page ad in the *New York Times* to publicize its March issue. The ad announced that *Ramparts* would reveal how the CIA had for many years sponsored the National Student Association (NSA, the umbrella organization for approximately four hundred student clubs) in exchange for services. "It has used students to spy, it has used students to pressure international student organizations into taking Cold War positions, and it has interfered, in a most shocking manner, in the international workings of the nation's largest and oldest student organization," the ad text dramatically announced. Sheehan immediately investigated and received confirmation of the story from the NSA chairman Eugene Groves. From the early 1950s until 1966 the organization had received approximately $200,000 annually in subsidies from a number of foundations that served as channels for CIA money. The funds were primarily used to send NSA delegations to international student meetings, where they were expected to exert a moderating influence on decision making. When they returned to the United States the delegates would report to CIA officials about the other student representatives.[1]

The NSA financing turned out to be just the tip of the iceberg. During the weeks following the *New York Times* article, there were new revelations in the media almost daily about independent American organizations and institutions that had received money from the CIA for years via charitable foundations, unbeknownst to the government and Congress. The University of Miami, Florida, the American Society of African Culture (AMSAC), the International Commission of Jurists (ICJ), the American Newspaper Guild (ANG), and even the American Federation of Labor were revealed to be among the recipients

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[1] Neil Sheehan, "A Student Group Concedes It Took Funds from C.I.A.," *New York Times,* Feb. 14, 1967, pp. 1, 7; Hugh Wilford, *The Mighty Wurlitzer: How the CIA Played America* (Cambridge, Mass., 2008), 240.

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of CIA money. Americans on the Left and Right were shocked, Congress urged an investigation, and President Lyndon B. Johnson quickly ordered the CIA to cease all secret funding of student groups; the CIA refused to comment. In short, the matter rapidly developed into a scandal with several players at its center: the CIA, the foundations that had served as fronts, and the individuals who accepted CIA money. For the first time since its creation in 1947, the CIA found itself under heavy fire. Earlier doubts about the agency, due to its involvement in the Bay of Pigs affair in 1961, had been mostly covered over by the blanket of Cold War consensus. This time, however, the media extensively addressed the CIA's activities and power and the government's control over the agency. It was the first but not the last time that the CIA was involved in a major scandal. In retrospect, the revelation of these inappropriate CIA activities, and the scandal that followed, can be seen as the prelude to the Watergate affair and the subsequent exposure of a series of other secret CIA operations in the 1970s. In the 1980s the list of CIA scandals was upgraded with its involvement in the Iran-Contra affair. More recently, in the war on terror, the CIA's use of torturous interrogation practices such as waterboarding, its hiring of private contractors (Blackwater Worldwide) for intelligence work, and its use of so-called black sites for imprisoning Al-Qaeda suspects led to new scandals and reconfirmed the negative image of the agency. Often, the CIA became an embarrassment to U.S. administrations.[2]

From 1968 on, the trust of the American people in its government declined dramatically. Whereas in 1966, 61 percent of Americans trusted Washington to do the right thing (the highest percentage ever during the 1958–2008 period), two years later this number had dropped to just 45 percent. Trust is said to be the cement of democracy, making the trust-in-government ratings an indication of the state of American democracy. Scandals involving the executive or its agencies seem to have a strong effect on these ratings. In 1974, toward the end of the Watergate affair, only 29 percent of Americans gave positive ratings. Ever since, the rating has never been higher than 47 percent (in 1986). During the two years after the exposure of the Iran-Contra scandal in November 1986 trust ratings fell thirteen points to 34 percent in 1988. A similar downturn occurred in 2004–2007, coinciding with the CIA's war on terror scandals. These figures position the 1967 CIA scandal at the beginning of a long series of events and developments that contributed to the transformation of the relationship between the American state and the people.[3]

In 1966 a majority of Americans still had significant faith in their government: the main resistance against the Vietnam War was limited to students, the Pentagon Papers (a Department of Defense [DOD] study of American involvement in Vietnam since World War II) were safely stored in a DOD vault, and President Johnson's promise of victory in

[2] Neil Sheehan, "Foundations Linked to C.I.A. Are Found to Subsidize 4 Other Youth Organizations," *New York Times,* Feb. 16, 1967, p. 26; Neil Sheehan, "5 New Groups Tied to C.I.A. Conduits," *ibid.*, Feb. 17, 1967, pp. 1, 16; E. W. Kenworthy, "Hobby Foundation of Houston Affirms C.I.A. Tie," *ibid.*, Feb. 21, 1967, p. 32; Jerry M. Flint, "Reuther Concedes Union on One Occasion Took $50,000 from Agency," *ibid.*, May 8, 1967, pp. 1, 37. John Herbers, "President Bars Agency Influence over Education," *ibid.*, Feb. 16, 1967, pp. 1, 26. Angus Mackenzie, *Secrets: The CIA War at Home* (Berkeley, 1997); Tim Weiner, *Legacy of Ashes: The History of the CIA* (New York, 2007); Philip Agee, *Inside the Company: CIA Diary* (Harmondsworth, 1975); Carl Bernstein and Bob Woodward, *All the President's Men* (New York, 1974); Bob Woodward, *Veil: The Secret Wars of the CIA, 1981–1987* (New York, 1987). Alfred W. McCoy, *A Question of Torture: CIA Interrogation, from the Cold War to the War on Terror* (New York, 2006); "Blackwater Worldwide," *New York Times,* April 25, 2011, http://www.topics.nytimes.com/top/news/business/companies/blackwater_usa/index.html.

[3] "Trust in Government Index, 1958–2008," Aug. 16, 2010, *American National Election Studies Guide to Public Opinion and Electoral Behavior,* http://www.electionstudies.org/nesguide/toptable/tab5a_5.htm; David W. Moore, "Americans Express Positive Views about Government and Political Leaders," July 14, 2000, *Gallup,* http://www.gallup.com/poll/2737/Americans-Express-Positive-Views-About-Government-Political-Leaders.aspx.

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Vietnam was still credible. The Civil Rights Act of 1964 and the Voting Rights Act of 1965 seemed to have created a guarantee of equal rights for every American citizen, and the installation of recording devices in the Oval Office was still unthinkable. Simultaneously, however, America was witnessing the rise of a rapidly growing group of critical youths who were increasingly turning against the government. Toward the end of the decade American society polarized rapidly, a process that also affected America's journalistic culture.

Initially, in the early 1960s, the mainstream media still exhibited a high degree of faith in the government, and they expressed it with affirmative reporting that lacked a critical edge. Halfway through the sixties many media outlets began to reject this uncritical faith. A new phase of American journalism emerged, which would reach its apex half a decade later with the 1971 publication of the Pentagon Papers in the *New York Times* (by Neil Sheehan) and in the 1972 revelation in the *Washington Post* of the Watergate burglary. Watchdog journalism became the new approach for reporters and editors in chief. The term refers to reliable, independent journalistic investigations into government activities as well as into other public institutions and the private sector, with the aim of providing timely information about undesirable developments in the public domain. In the history of American journalism this approach was not new: "More crime, immorality and rascality is prevented by the fear of exposure in the newspapers than by all the laws, moral and statute, ever devised," the publisher Joseph Pulitzer had declared in 1878. Ideally, because of this watchdog journalism, authorities would be forced to abide by the norms and values at the foundations of the institutions they supervise. Not surprisingly, political scandals and watchdog journalism have been closely linked; this was especially apparent in the case of the 1967 CIA scandal. The CIA was able to channel money to private organizations for years until a new climate of public opinion emerged and journalists finally started a thorough investigation of those practices. When reporters exposed the CIA activities in the press, revealing that the agency had broken with existing moral values and ideas about the role of intelligence work, the case erupted into a nationwide scandal. For the first time the CIA was under public fire, making the watchdog journalism of *Ramparts* and the *New York Times,* with its focus on government policies, groundbreaking in the postwar period. The 1967 revelations were the beginning of an active public interest in CIA activities, engendering public discussions and prompting official investigations. Public interest in the CIA has never ceased, as the more recent cases of CIA-related scandals indicate. According to the communication studies experts James Lull and Stephen Hinerman the most important criterion for the definition of "media scandal" is the involvement of the public. A revelation in the press only develops into a media scandal if the public is receptive and follows up with a response. A scandal is not just "made" by the media.[4]

The main purpose of this article is to test Lull and Hinerman's proposition using the 1967 CIA scandal and focusing on the interaction between the political-social climate, journalistic culture, and the development of the scandal. To position the 1967 scandal in a wider context I will discuss the Iran-Contra affair and the CIA's war on terror scandals from the same perspective, but much more tentatively and with a more limited scope. The second aim of this article is to determine the damages caused by the 1967 scandal at

[4] David L. Protess et al., *The Journalism of Outrage: Investigative Reporting and Agenda Building in America* (New York, 1991), 42–47; W. Lance Bennett and William Serrin, "The Watchdog Role," in *The Press,* ed. Geneva Overholser and Kathleen Hall Jamieson (New York, 2005), 169–88, esp. 169, 172; James Lull and Stephen Hinerman, "The Search for Scandal," in *Media Scandals,* ed. James Lull and Stephen Hinerman (New York, 1997), 1–33, esp. 16.

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several levels: not only the CIA—as a state agency—was under fire (calling into question the trustworthiness of the state as a whole) but so too were the reputations and integrity of the organizations and people who had accepted CIA funds.

Revelations without Scandal

It was rather striking that the *New York Times* revelation in February 1967 caused such a stir. This CIA funding story had been made public on a number of occasions without causing a scandal. In August 1964 a congressional investigation into the tax-exempt status of certain private foundations showed that eight of them served as umbrella organizations for the CIA. They were little more than glorified mailboxes used by the CIA to transfer money, which was then sluiced into larger and better known foundations that in turn donated the money to organizations selected by the CIA. Among the beneficiaries the press indentified were the British American intellectual magazine *Encounter* and its ally, the Congress for Cultural Freedom (CCF), an international organization for freedom of science and culture. In an editorial on September 14, 1964, the left-leaning news magazine the *Nation* asked these two questions: "Should the CIA be permitted to channel funds to magazines in London—and New York—which pose as 'magazines of opinion' and are in competition with independent journals of opinion?" and "Is it a 'legitimate' function of the CIA to finance, indirectly, variously congresses, conventions, assemblies and conferences devoted to 'cultural freedom' and kindred topics?" These were legitimate questions.[5]

Government support of cultural production was and still is a thorny subject in the United States, since the practice is commonly seen as creating unfair competition for private businesses. The second of the *Nation*'s questions concerned the CIA's authority and raised a fundamental issue: should the intelligence agency interfere with independent organizations and magazines that, at least on the surface, bore no relevance to American national security? Providing the president with information that might be important for America's national security was the agency's main assignment, but the level of authority it might need to complete that task was never clearly established. In a 1947 debate over the proposed National Security Act (which, among other things, created the CIA) a compromise was raised to relieve concerns of those who thought the new agency would potentially have too much latitude in its authority: it was suggested that the CIA could not conduct activities "inside the continental limits of the United States and its possessions." In reality, however, this limitation was neutralized by the decision that the director of the agency would be responsible for protecting sources and operating procedures—to avoid inadvertent exposure. That clause, which translated into a pledge of secrecy for CIA officers, enabled the CIA to conduct secret operations both abroad and at home for decades, even when those operations involved American citizens and organizations that did not pose a threat to national security.[6]

CCF and *Encounter*

Considering the nature of the Congress for Cultural Freedom, it was not strange that in 1964 the *Nation* asked whether financing this organization and its activities should be the

[5] Frances Stonor Saunders, *Who Paid the Piper? The CIA and the Cultural Cold War* (London, 1999), 354. Wilford, *Mighty Wurlitzer;* "Editorials: Foundations as 'Fronts,'" *Nation,* Sept. 14, 1964, pp. 102–3.

[6] Mackenzie, *Secrets,* 11.

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CIA's responsibility. The CCF was founded in Berlin 1950 during a multiple-day meeting of more than one hundred American and European writers and other intellectuals who were convinced "that culture can exist only in freedom and that freedom can lead to cultural progress." The initiative for the founding of this organization for international intellectual solidarity came from American liberal anticommunist intellectuals. At its core was a fear of communist interference with Western culture and science, which had been ignited in the late 1940s when communist front organizations held a number of so-called peace congresses in Paris and New York, at which freedom of speech was heavily suppressed. The 1950 Berlin meeting was a direct response to these peace congresses. Freedom of speech reigned, but supporters of the Soviet Union were refused entry. The final meeting, which took place a day after the outbreak of the Korean War, led to the creation of the CCF, an organization committed to standing up for the preservation of cultural freedom around the world. Shoulder to shoulder, freedom-loving intellectuals of the Western world would form a front against communist attempts to restrict freedom. The concept was a success: within ten years the organization had chapters in thirty-five countries, spread across several continents, employing nearly three hundred people. The Netherlands was one of the very few Western European countries without a chapter of the CCF. The CCF was the cultural counterpart to the North Atlantic Treaty Organization, because it was one of the most important organizations with which the United States conducted the so-called cultural Cold War. The organization held music festivals, art and photography exhibits, and international conferences on themes such as "science and freedom" and "the end of ideology," which always attracted big names among Western writers and intellectuals as speakers. The leaders of the CCF were mostly fiercely anticommunist individuals who had gained experience during and after World War II working for the Office of Strategic Services, the military's intelligence service and predecessor of the CIA: Melvin Lasky, Michael Josselson, and for a short time James Burnham.[7]

In 1953 the monthly journal *Encounter* became the official English-language voice of the CCF. The British poet and author Stephen Spender and American intellectual Irving Kristol were its first editors in chief. The CCF supported this publication and other magazines such as the German *Der Monat* and the French *Preuves* by paying for hundreds of subscriptions. Public intellectuals such as the literary critic Lionel Trilling, publicist Dwight MacDonald, writer Mary McCarthy, scientist Robert Oppenheimer, philosophers Hannah Arendt and Sidney Hook, and sociologists Daniel Bell and Edward Shils were among the American intellectuals who regularly participated in CCF conferences. They also wrote articles for *Encounter* and its German and French sister journals. Their contributions in particular (together with those of Europeans such as the philosophers Denis de Rougemont and Raymond Aron, and publicist Arthur Koestler) to CCF conferences and *Encounter* made those institutions convincing as Cold War instruments. These were liberal intellectuals who had thoroughly studied and sometimes experienced communism, and had concluded that the West was much more preferable to the Soviet Union. That

[7] "Manifesto of Intellectual Liberty," June 26, 1950, folder 1, box 1, series III, International Association for Cultural Freedom Papers (Department of Special Collections, University of Chicago Library). On the Congress for Cultural Freedom, see Peter Coleman, *The Liberal Conspiracy: The Congress for Cultural Freedom and the Struggle for the Mind of Postwar Europe* (New York, 1989); Saunders, *Who Paid the Piper?;* Giles Scott-Smith, *The Congress for Cultural Freedom, the CIA, and Postwar American Hegemony* (London, 2002); Giles Scott-Smith and Hans Krabbendam, eds., *The Cultural Cold War in Western Europe, 1945–1960* (London, 2003), 237–66; and Wilford, *Mighty Wurlitzer,* 70–122.

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they were intellectuals and scientists rather than politicians gave the CCF and *Encounter* a strong image of reliability and integrity.[8]

The Fourth Power

The news in 1964 that the CIA was financing the CCF and *Encounter* through cover organizations initially only strengthened rumors that had already been making the rounds at receptions and cocktail parties. Surprisingly, the press barely paid attention to the revelation—producing nothing but a few articles in the *New York Times* and the *Nation,* and after the executives of the CCF denied the allegations, no further inquiry was made. Considering the history of the American press and its status as the "fourth power" in national political and governmental affairs this reaction was remarkable. Why were the media so reluctant to pursue this story?

Since the early twentieth century, the press had taken an increasingly independent position from political parties and other powers that be. The rise and success of "muckraking" journalists such as Jacob Riis, Ida Tarbell, and Lincoln Steffens accelerated that process, even though they published in journals directed at a middle-class audience, rather than in the popular "yellow press." Muckraking, investigating wrongs and publishing stories about them, had become "a nationally organized part of the American cultural, literary and political landscape." The early glory days of investigative journalism did not last long, however. Two world wars, with the Great Depression in between, and the development of professional journalism codes of objectivity and "fact and fairness" greatly hindered the position of journalists as watchdogs of democracy. The absence of a critical edge, as well as a significant willingness to cooperate with the government during World War II and the Cold War years that followed, further weakened the role of journalists as independent investigators. Not until the early 1960s did the professional attitude of reporters begin to change, in particular at the *New York Times*. In the spring of 1961 the *New York Times*'s editors in chief chose not to mention the CIA's involvement in the Bay of Pigs invasion in Cuba. The close acquaintance between the *New York Times* publisher Arthur Hays Sulzberger and CIA director Allen W. Dulles was likely a major consideration. The decision led to a heated debate among the editorial staff. Once it became clear that the invasion had been a huge failure, it also became obvious that the paper had made the wrong decision. As a result of this affair and the American public's growing dissatisfaction with government policies, in particular concerning Vietnam, an increasing number of editors were convinced that the *New York Times* needed to take a much more critical approach in its coverage of government-related issues. When the newspaper hired new editors and put under contract a group of young, more engaged journalists (such as David Halberstam, whose reporting from Vietnam became more critical over time), that was indeed the direction the *New York Times* took.[9]

[8] Tity de Vries, "*Encounter,* an Intellectual Concept of Atlanticism in the 1950s," in *The American Columbiad: "Discovering" America , Inventing the United States,* ed. Mario Materassi and Maria Irene Ramalho de Sousa Santos (Amsterdam, 1996), 267–81.

[9] Ellen F. Fitzpatrick quoted in Rosemary Armao, "The History of Investigative Reporting," in *The Big Chill: Investigative Reporting in the Current Media Environment,* ed. Marilyn Greenwald and Joseph Bernt (Ames, 2000), 35–49, esp. 38; Michael Schudson and Susan E. Tifft, "American Journalism in Historical Perspective," in *Press,* ed. Overholser and Jamieson, 17–47, esp. 27, 30; Stefan W. Elfenbein, *The* New York Times: *Macht und Mythos eines Mediums* (The *New York Times:* Power and myth of a medium) (Frankfurt am Main, 1996), 22, 25, 187.

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Lack of criticism in established newspapers and journals became increasingly irritating to left-wing and often-radical young people. As a result, a growing number of "underground" publications were established to compete with the mainstream media by publishing critical exposures of government cover-ups and abuses of power. The largest of these publications in California was the *Berkeley Barb* (which was printing 85,000 copies per week in 1967); on the East Coast it was the *Washington Free Press*. These new underground papers and magazines were usually filled with well-researched articles written by dedicated reporters. These journalists replaced the professional code of objectivity with one of subjectivity and engagement, and their articles inevitably cast the American government as the enemy. The revealing stories, which offered a perspective of the government and authorities completely different from that in the mainstream press, were immensely popular with the educated, younger segment of the American public. In 1967 American underground journals had an estimated total monthly print run of 7 million (excluding student newspapers). For the established media, the underground press was dangerous competition, which contributed to the change in editorial policy at mainstream publications.[10]

Ramparts was one of those underground publications. It was published monthly in Berkeley, California, and deviated from the usual stenciled and playful designs of the underground press by choosing a more polished, professional look: "While other left-wing publications were being printed on toilet paper and passed from hand to hand, *Ramparts* was a glossy that blared from newsstands with scoop after scoop that became front-page news in *The New York Times,*" the former editor in chief Peter Collier recollected in 2004. Created in 1962 as a Roman Catholic literary journal with five thousand subscribers, it changed its focus to political matters in 1963 and reached a monthly run of four hundred thousand in the late sixties. During its thirteen-year existence, *Ramparts* printed numerous anti–Vietnam War articles, was the first publication to present a conspiracy theory of the John F. Kennedy murder, and published fragments of Che Guevara's diary, with an introduction by Fidel Castro, as well as the prison diaries of the Black Panther leader Eldridge Cleaver. The success of *Ramparts* lasted until 1969. By then it had accumulated a $6 million debt and lost a great deal of reader sympathy and advertiser interest as a result of its pro-Palestinian and pro–Black Panther stands. In 1975 the journal ceased to exist.[11]

The Ball Starts Rolling

Early in 1966 the illegitimate CIA activities came to the forefront once more through the actions of a former Michigan State University (MSU) scientist, Stanley K. Sheinbaum. In the 1950s Sheinbaum had been the coordinator of an MSU development project for South Vietnam. This project had been secretly financed and used as a cover by the CIA to effect the training of the Saigon police force and the writing of the South Vietnamese constitution. Sheinbaum resigned in 1959 after discovering the secret source of the project's funding. Six years later, out of frustration with the growing number of American troops in Vietnam and the earlier presumed CIA involvement in the murder of the South Vietnamese president Ngo Dinh Diem on November 2, 1963, he took his information to *Ramparts*.[12]

[10] Mackenzie, *Secrets,* 29.

[11] Pam Black, "Ramparts," *Folio: The Magazine for Magazine Management,* April 1, 2004, http://findarticles.com/p/articles/mi_m3065/is_4_33/ai_n6077583/.

[12] Mackenzie, *Secrets,* 17.

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The CIA's response to this proposed publication (*Ramparts* often announced its revealing articles beforehand) was severe: the agency started a smear campaign against the journal, its editors, and its employees. In particular it placed *Ramparts* reporters under close surveillance and investigated the magazine's sources of funding. The agency also urged the Federal Bureau of Investigation to investigate *Ramparts*'s staff as a subversive unit. These actions were clearly meant to find a legal way to silence the magazine. Publication of the article in *Ramparts*'s April issue was followed by a wave of protest by academics and politicians who considered the CIA's infiltration into a university as a threat to academic freedom and scientific integrity. In Congress, Democratic senator Mike Mansfield called for an investigation into all clandestine financing by the CIA but did not receive enough support to have one opened. The *New York Times* reacted after *Ramparts*'s announcement of the MSU story by publishing a series of five articles on the goals and methods of the agency, researched and written by a team of four reporters led by Tom Wicker. The series focused on this question: Does the government still have control of the CIA or is the CIA an "invisible government" that has become more powerful than the president? In the first article, "C.I.A.: A Maker of Policy or Scapegoat?" readers were reassured—during their investigation, the reporters had discovered that the CIA was regularly accused of nonexistent activities. These accusations usually resulted from a fear of infiltration. The conclusion of the series went no further than a warning and was only moderately critical:

> while the C.I.A. acts as the Government's fountain of information as well as its "black" operating arm, while it is the C.I.A. that both proposes operations and supplies the facts to justify them, the danger of its getting out of control of the Administration exists and ought to be taken seriously within and without the Government. . . . The task of coping with this danger is essentially that of the President, his highest officials, and the director of the C.I.A. It can only be met peripherally by Congressional oversight, and then with increasing danger of security leaks and domestic political pressures on the agency.

The German historian Stefan W. Elfenbein claims that the *New York Times* editors in chief—because of their contacts—had presented the series of articles to the former CIA director John A. McCone before its publication (he had also been consulted when he was director in 1965 when the newspaper was planning the series). This "approval" explains the lack of criticism in the articles but raises questions about the revelations made in them. For example, why did McCone agree to the inclusion of the almost careless exposure of one of the CIA's uses of funding, in the second article: "In greater secrecy, the C.I.A. subsidizes, in whole or in part, a wide range of enterprises—'private' foundations, book and magazine publishers, schools of international studies in universities, law offices, 'businesses' of various kinds and foreign broadcasting stations." And a day later *New York Times* readers learned that

> the C.I.A. has supported groups of exiles from Cuba and refugees from Communism in Europe and anti-Communist liberal organizations of intellectuals such as the Congress for Cultural Freedom and some of their newspapers and magazines. *Encounter* magazine, a well-known anti-communist intellectual monthly . . . was for a long time—though it is not now—one of the indirect beneficiaries of C.I.A. funds through arrangements that have never been publicly explained. Several American book publishers have also received C.I.A. subsidies. That is why many persons are convinced that in the C.I.A. a sort of Frankenstein's monster has been created that no one can fully control.

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Here the suspicions and rumors of 1964 were confirmed on paper: *Encounter* and the CCF had both been financed by the American secret service. Thirty years later Frances Stonor Saunders convincingly argued in *Who Paid the Piper?* that the amounts involved were considerable. According to her, the CCF received around a million dollars of CIA funding per year in the early sixties. Part of this money was intended for *Encounter* and other CCF journals. The CIA financing of *Encounter* supposedly lasted until July 1964, but Saunders claims that the new financial arrangements were equally connected to the CCF—and so to the CIA—only better hidden.[13]

At first, most responses in the media came from individuals directly involved with the CCF and *Encounter*. On May 9, just over a week after the fifth *New York Times* article came out, the paper published a letter signed by John Kenneth Galbraith, George F. Kennan, Robert Oppenheimer, and Arthur M. Schlesinger. They did not deny the CIA's funding of the CCF, but they did emphasize that the agency had always allowed the CCF to operate with complete freedom, "responsive only to the wishes of its members and collaborators and the decisions of its Executive Committee." The next day the paper published a letter to the editor from *Encounter*'s side. The editors Stephen Spender and Melvin Lasky, and the previous editor Irving Kristol denied all knowledge of the financial arrangement between the CIA and the CCF and *Encounter.* In *Who Paid the Piper?* Saunders suggests that the signing of this letter was a dubious decision for Spender: for two years the somewhat naïve and gullible British poet, as editor in chief, had been suspicious of the journal's financial arrangements without ever getting a definite answer. Even the CCF director Michael Josselson and secretary John Hunt, who ran the day-to-day operations of their organization, initially continued to insist that the *New York Times* allegations were false. Such denial of accusations is the usual strategy in the early stages of a scandal. The accused hope that the media and public will tire of the story and the issue will soon disappear from public view. And for a while that was precisely what happened in this case. The press saw no reasons for further investigations, and only the *Nation* occasionally devoted space to the case. The magazine published letters from people involved that usually emphasized that the independence of the CCF and *Encounter* had never been compromised. In one editorial, the editors in chief of the *Nation* put a finger on the sore spot: "The undisclosed acceptance, over a long period, of CIA funds by two organizations avowedly dedicated to 'cultural freedom' provides an ironic notation to the cultural history of the cold war."[14]

The Scandal Escalates

In spring 1966 there was not yet a true scandal, and perhaps it would have stayed that way if the political climate of popular opinion had not turned later that year as a result of the drastic change in the public perception of the Vietnam War. Early in 1966 little public

[13] *Ibid.*, 18–19; Wilford, *Mighty Wurlitzer,* 237. Warren Hinckle et al., "The University on the Make," *Ramparts,* 4 (April 1966), 11–22. Saunders, *Who Paid the Piper?,* 405; "C.I.A.: Maker of Policy, or Tool?," *New York Times,* April 25, 1966, pp. 1, 20. The other four articles in the series were: "How C.I.A. Put 'Instant Air Force' into Congo," *ibid.*, April 26, 1966, pp. 1, 30; "C.I.A. Spies from 100 Miles Up," *ibid.*, April 27, 1966, pp. 1, 28; "C.I.A. Operations: A Plot Scuttled," *ibid.*, April 28, 1966, pp. 1, 28; and "The C.I.A.: Qualities of Director Viewed as Chief Rein on Agency," *ibid.*, April 29, 1966, pp. 1, 18. Elfenbein, *The New York Times,* 187–88; "How C.I.A. Put 'Instant Air Force' into Congo," 30; "C.I.A. Spies from 100 Miles Up," 28; Saunders, *Who Paid the Piper?,* 219, 377–78.

[14] "Letters to the Editor of the *Times:* Record of Congress for Cultural Freedom," *New York Times,* May 9, 1966, p. 38; "Letters to the Editor of the *Times:* Freedom of *Encounter* Magazine," *ibid.*, May 10, 1966, p. 44; Saunders, *Who Paid the Piper?,* 377–78, 356; J. B. Thompson, "Scandal and Social Theory," in *Media Scandals,* ed. Lull and Hinerman, 34–64, esp. 53; "Editorials: Encounter with the C.I.A.," *Nation,* May 16, 1966, pp. 571–72.

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opposition to the war had surfaced, but a year later opposition had grown considerably, especially among young men who might be drafted. More troops being sent to Vietnam meant that more soldiers might come back in body bags. Promises that the war would end soon were not fulfilled, and a growing number of Americans were questioning their country's involvement in Southeast Asia. The resistance against the Vietnam War had repercussions for the way society assessed the government. In the media this discontent was translated into a more critical and tougher approach to the coverage of government policy and government agencies such as the CIA.[15]

Then in early 1967 another whistle-blower showed up at *Ramparts* with inside information about the CIA. This time it was a former employee of the National Student Association, Michael Wood, who claimed that for fifteen years the NSA, which represented over four hundred universities, had been secretly financed by the CIA through a number of private foundations. *Ramparts* asked the journalist Sol Stern to investigate this promising case, and the editor in chief Warren Hinckle decided—out of fear of losing the scoop—to announce the article in a full-page advertisement in the *New York Times* and the *Washington Post* on February 14, 1967. The ad promised "a case study in corruption of youthful idealism" in which *Ramparts* would prove that the CIA employed students as spies and that the agency secretly used private foundations to cover up its funding of the NSA. Both newspapers ran their own front-page story about the case that same day. Two days later the *Christian Science Monitor* broke the news that the State Department had confirmed the CIA's financing of the NSA for a period of ten years. The *Washington Post* followed up with a series of highly critical articles by the journalist Walter Lippmann, who extensively examined the "totalitarian" methods of the CIA. The *New York Times* concentrated on the exposure of new cases of secret CIA operations and published damning editorials denouncing the CIA's funding. "The health of a democratic society depends on the certainty that its free institutions are truly free," the *New York Times* read on February 20 under the title "Subversion by CIA." The intelligence agency was accused of destroying the integrity of thousands of people who had unknowingly served as secret agents. And a week later it was clear, as far as the newspaper was concerned, that the government's system had failed: "the controls—at least over this area—did not work."[16]

The scandal continued to escalate in March, when *Ramparts*'s extensive "Special Report" about the CIA's involvement with the NSA appeared in a print run of 228,730. Based on the information Michael Wood had provided, as well as information from the Internal Revenue Service, Sol Stern convincingly explained how, for fifteen years, the CIA had sponsored the NSA's international activities through a network of umbrella foundations, which allowed the CIA to control the NSA's international policies. Between 1962 and 1965 the funding amounted to approximately a quarter of a million dollars, which was largely channeled to the NSA via the CIA's Independence Foundation. Among other

[15] Michael S. Foley, *Confronting the War Machine: Draft Resistance during the Vietnam War* (Chapel Hill, 2003); Melvin Small, *Antiwarriors: The Vietnam War and the Battle for America's Hearts and Minds* (Wilmington, 2002).

[16] Wilford, *Mighty Wurlitzer,* 240; *New York Times,* Feb. 14, 1967, p. 31; V. R. Berghahn, *America and the Intellectual Cold Wars in Europe: Shepard Stone between Philanthropy, Academy, and Diplomacy* (Princeton, 2001), 244–45; Sheehan, "Foundations Linked to C.I.A. Are Found to Subsidize 4 Other Youth Organizations; Infiltrating the Campus," *New York Times,* Feb. 16, 1967, 38; Sheehan, "5 New Groups Tied to C.I.A. Conduits"; Subversion by C.I.A.," *ibid.*, Feb. 20, 1967, p. 36; "The C.I.A. Case Controversy Boils Over Its Role," *ibid.*, Feb. 26, 1967, p. E1.

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purposes, this money had been used for the training and expenses of NSA delegations that participated in the International Student Conference (ISC), where they were expected to exert a moderating and especially anticommunist influence. After the ISC conferences, NSA representatives immediately reported on foreign student leaders to enable the CIA to gain a thorough understanding of the views of future political leaders in key regions, particularly those in developing countries. Shortly before the *Ramparts* revelations, the NSA president Phil Sherburne had told CIA case officers that starting in 1966–1967 the NSA would be operating independently because he had found other financial sources for the organization.[17]

The *Ramparts* story is disconcerting, not only in its content but also in the attempts made to keep *Ramparts* from publishing it. Sol Stern made it clear that those involved, NSA leaders who called themselves liberal, apparently did not realize that an independent organization put itself in the same position as student organizations in communist countries when they allowed themselves to be sponsored and controlled by the CIA. In an epilogue, the whistle-blower Michael Wood also emphasized that point: "For years the United States National Student Association has stood for 'a free university in a free society.' Its resolutions on academic, political and social freedoms are clear. Its constitutional commitment to free and open democracy is of long standing. Its defense of civil liberties has been staunch and consistent. Yet because of NSA's relationship to the CIA, its leaders have for fifteen years undermined those principles." Woods thus anticipated the wave of negative response to the CIA revelations from well-educated circles of the American public. Not only was an agency of the American government operating in a way that was common in communist countries but independent organizations had also apparently put aside their principles in exchange for funding. On March 13 CBS broadcasted an hour-long documentary on the unfolding situation, entitled *In the Pay of the CIA: An American Dilemma,* in which Phil Sherburne and others were interviewed by the anchorman Mike Wallace. The scandal reached its apex in early May when the *New York Times* reported that Tom Braden, the former chief of the CIA's International Organization Division, had stepped forward to talk. Aside from Braden's statement that he gave $50,000 to the executive board of the American Federation of Labor, he also pulled the CCF and *Encounter* back into the scandal: "The C.I.A. 'placed' an agent in the Congress for Cultural Freedom, an organization of leading European and American intellectuals, and saw 'another agent' become an editor of *Encounter,* a London-based intellectual monthly once supported by the CCF. These 'agents' suggested programs and projects to the C.I.A. and arranged for agency subsidies that were channeled through real or dummy foundations, according to Mr. Braden." Braden also wrote his own article that appeared in the *Saturday Evening Post* on May 20—written, he claimed, out of indignation at the anti-CIA editorials by people such as Walter Lippmann. The article appeared under the telling headline "I'm Glad the CIA Is 'Immoral.'" He had been present at the birth of this financial network of cover foundations created in response to the "immensely powerful" weapons the Soviet Union had constructed in the form of seven large and successful international communist umbrella organizations. Braden described in detail how his International Organization Division operated and had been developed. Organizations such as the CCF that fought at the cultural front lines of the Cold War were always in

[17] Sol Stern, "An Exposé: The CIA and the National Student Association," *Ramparts,* 5 (March 1967), 29–38, esp. 31, 35; Wilford, *Mighty Wurlitzer,* 238.

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need of money: "The agents . . . could also suggest ways and means to solve the inevitable budgetary problems. Why not see if the needed money could be obtained from 'American foundations?'" Braden still supported this strategy in 1967: the end justified the means.[18]

Cosmetic Reform

How did the government respond to the scandal's assault on its credibility? Even before the *Ramparts* CIA-NSA article was published there were enough rumors going around Washington, D.C., to cause a stir in Congress, particularly among members who in 1966 had urged an investigation into illicit CIA activities. On the day the *Ramparts* ad appeared in the *New York Times* and the *Washington Post,* President Johnson received an urgent request from eight members of Congress to start a thorough investigation: "This disclosure leads us and many others here and abroad to believe that the CIA can be as much a threat to American as to foreign democratic institutions." Johnson was under heavy pressure from both parties in Congress and initially attempted to limit the damage to his administration by denying any knowledge of the CIA's financing of the NSA. The press found this so hard to believe that an investigation became inevitable. Johnson put together a committee that was chaired by Undersecretary of State Nicholas Katzenbach and had as one of its members CIA director(!) Richard Helms. The president refused Senator Mike Mansfield's urging to include a number of members of Congress on the committee, arguing that adding more people would only slow down the investigation. Within six weeks, on March 29, the Katzenbach committee released its final report. The conclusion was clear: no federal agency was permitted to offer financial support to any American educational or private organization, whether secretly, directly, or indirectly. Johnson accepted this verdict as the new official government policy and set December 31, 1967, as the deadline for ending all existing secret funding arrangements. However, because he never turned this policy into an executive order there was no supervision of its execution, reducing the Katzenbach report to essentially a short-term cosmetic solution for an acute political problem. Johnson used this approach to stifle any further support for a closer investigation by Congress. In 1971 it turned out that the CIA had continued to finance several private organizations, including Radio Free Europe, by making detours and with approval from the Department of State.[19]

The CIA also continued a secret operation that had begun in 1966 as a result of *Ramparts*'s revelations about CIA involvement in MSU's development project in South Vietnam. The agency initiated an extensive investigation of the magazine's employees and any possible foreign investors, hoping to tarnish the journal's reputation. The investigation was soon expanded to include other underground journals, and in August 1967 it resulted in operation MHCHAOS, which was intended to uncover the alleged communist connections of

[18] Stern, "Exposé," 38; Wilford, *Mighty Wurlitzer,* 240; *In the Pay of the CIA: An American Dilemma,* CBS News Special Report with Mike Wallace (CBS, May 13, 1967); Max Frankel, "Ex-official of C.I.A. Lists Big Grants to Labor Aides," *New York Times,* May 8, 1967, pp. 1, 36. Max Frankel claimed that the source for that story was an article by Tom Braden in the current issue of the *Saturday Evening Post,* yet Braden's article was not published until May 20; Frankel was given access to the article before it was published. Thomas W. Braden, "I'm Glad the CIA Is 'Immoral,'" *Saturday Evening Post,* May 20, 1967, pp. 10–14, esp. 12.

[19] Rhodri Jeffreys-Jones, *The CIA and American Democracy* (New Haven, 2003), 159, 163, 164; Saunders, *Who Paid the Piper?,* 405; Wilford, *Mighty Wurlitzer,* 248, 247.

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over five hundred magazines that had turned against the Vietnam War. Under the guise of operation MHCHAOS, the agency spied on thousands of employees, often together with the Federal Bureau of Investigation, which had, for this purpose, set up the secret COINTELPRO (Counterintelligence Programs). MHCHAOS was eventually unmasked amid a series of CIA scandals starting with the agency's involvement in the infamous burglary in the Watergate building on June 17, 1972.[20]

Damages

The revelations made by *Ramparts* and Braden were damaging for those involved as well as for people and organizations without any involvement. Innocent victims such as American students abroad and Americans working abroad, and reporters or aid workers employed by nongovernmental organizations, were often looked upon as potential CIA agents or recipients of CIA money. Even official American agencies such as the Peace Corps, which had always declined CIA support, suffered this humiliating stigma. Some of the organizations involved in the scandal were able to turn over a new leaf and make a new start; others ceased to exist. For the International Commission of Jurists, which had received CIA funding via the American Fund for Free Jurists, the damage from the scandal was limited. The group's secretary-general Sean MacBride carried out reforms and found a new financial sponsor in the Ford Foundation. Today the ICJ is an internationally respected organization for the promotion of human rights and the rule of law. The journalist trade union the American Newspaper Guild was criticized most severely by its own members, who denounced the organization's relationship with the CIA. The ANG had shown "moral imbecility" in taking money from the government, they condemned. The fury from the press caused the ANG to withdraw its international representatives and reassign them to domestic duties. It changed its name to the Newspaper Guild in the 1970s to indicate that it also worked outside the United States. Within the American Federation of Labor–Congress of Industrial Organizations (AFL-CIO) the revelations polarized the tense relationship between the AFL-CIO's fiercely anticommunist president George Meany and the liberal president of the United Auto Workers (UAW) Walter Reuther. For years they had fought over the federation's anticommunist policy, a conflict that escalated after the CIA scandal broke in January 1967. In February 1967 the UAW withdrew from the executive board of the AFL-CIO, and in July 1968 the UAW disaffiliated itself completely from the federation. The AFL-CIO was forced to close down its international institutions and operations, which had been generously funded by the CIA. For a long time the reputation of the labor federation was severely harmed.[21]

The scandal also caused lasting damage to the reputation of the NSA. The organization, which had already been under attack from the Left by Students for a Democratic Society for being too moderate in civil rights and antiwar issues and from the Right by the Young Americans for Freedom for being controlled by the far Left, could no longer hold its status as the international representative of America's students. Even though the NSA experienced some serious financial difficulties, it succeeded in staying alive. It limited its activities

[20] Mackenzie, *Secrets,* 18–19, 27, 69; Wilford, *Mighty Wurlitzer,* 244.

[21] Wilford, *Mighty Wurlitzer,* 251, 242; Howard B. Tolley Jr., *The International Commission of Jurists, Global Advocates for Human Rights* (Philadelphia, 1994), 98; Nelson Lichtenstein, *The Most Dangerous Man in Detroit: Walter Reuther and the Fate of American Labor* (New York, 1995), 407–9.

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to domestic issues and merged with other student organizations into the U.S. Student Association in 1978.[22]

The CIA's principal front organization among black nationalist groups, the American Society of African Culture, also suffered badly from the revelations. Since AMSAC's establishment in 1957 its cultural activities in countries in West Africa (such as art exhibits, receptions, and a performing arts festival in December 1961 in Nigeria with jazz musicians Lionel Hampton and Nina Simone) and its image as "Uncle Moneybags" had already made it suspicious in the eyes of African nationalists. The 1967 scandal confirmed those suspicions, making continuation of the society's operations in Africa practically impossible. AMSAC ceased to exist in 1969.[23]

The CCF and *Encounter* suffered mostly immaterial damages. The *Encounter* editor Stephen Spender, who had been strung along for years while being kept in the dark about the journal's financing, immediately resigned in outrage. In 1972 he became cofounder of the journal *Index on Censorship*. The interim editor Frank Kermode also resigned. Melvin Lasky stayed, despite strong advice to the contrary from colleagues and friends. On May 9, 1967, the *New York Times* read: "Lasky said formally for the first time that C.I.A. funds had reached the magazine. But he said he had not known this at the time." The chair of CCF's board, Minoo Masani, confirmed to the *New York Times* that the CCF had received CIA money, but he added that the board had ended those arrangements in January 1966 after suspicions surfaced about the source of the funds. Starting in late 1966 the CCF annually received $1 million in subsidies from the Ford Foundation. Masani denied that CCF policies had been influenced by the CIA, and the CCF director Michael Josselson refused to respond publicly. During a board meeting on May 13, 1967, Josselson admitted that he had misled the CCF for twenty years: he had obscured the facts that he was a CIA agent and that the CCF was part of a secret CIA operation. Only the secretary, John Hunt, knew. Josselson offered to resign. A day later, after an eight-hour meeting, the board of the CCF made an announcement in which it expressed sincere regrets about the CIA connection. Furthermore, it stated that it was sorry that Josselson had found it necessary to accept the funding without consulting his CCF colleagues. A committee would be formed to create new statutes and introduce organizational changes. It soon became obvious that the reputation of the CCF (and its many participating intellectuals) had been fundamentally damaged by this affair and that it would be better for the CCF to continue its activities under a new name, the International Association for Cultural Freedom (IACF). The IACF existed for some ten years, without ever becoming as prominent as its predecessor. In January 1979 it too was disbanded, due to a lack of zest and goals, and above all a lack of interest among prominent intellectuals.[24]

The American intellectuals who had been involved with the CCF also faced severe criticism. Prominent CCF contributors were accused in the press of moral weakness. Had they been naïve or hypocritical? Considering the many years of rumors about CIA involvement, critics found it hard to believe that those who had participated strongly in CCF activities,

[22] Mackenzie, *Secrets,* 25; Angus Johnston, "A Brief History of NSA and USSA," 2008, *United States Student Association,* http://www.usstudents.org/who-we-are/history, paras. 9–12, 18.

[23] Wilford, *Migthy Wurlitzer,* 208, 210, 222.

[24] Sylvan Fox, "Stephen Spender Quits *Encounter*" *New York Times,* May 8, 1967, pp. 1, 37; Saunders, *Who Paid the Piper?,* 389–90, 394, 413; "Lasky Stays with *Encounter,* Derides Spender's C.I.A. Attack," *New York Times,* May 9, 1967, p. 2; Gloria Emerson, "Receiver of Funds from C.I.A. Quits," *ibid.*, May 14, 1967, p. 32; Gloria Emerson, "Cultural Group to Keep Director," *ibid.*, May 15, 1967, p. 19.

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such as Dwight Macdonald, Mary McCarthy, and Daniel Bell, had not been aware of anything as they claimed. Each of the individual's reputation of moral integrity remained tainted for a long time and, with it, his or her status as intellectual, political commentator, or writer. They were especially under fire from New Left critics. As far as the New Left was concerned, the CIA was an evil empire and the CCF was a despicable support system for the even more despicable Cold War liberalism. The publication of "A Statement on the CIA" in the summer 1967 issue of *Partisan Review,* the American home journal for these embattled intellectuals, in which the seventeen signatories announced in a rather priggish manner their disapproval of secret CIA financing of cultural organizations and magazines, only strengthened the New Left's derision. In September 1967 the *Nation* published the damning opinions of the New Left intellectual Christopher Lasch, in which he established a connection between the anticommunist liberalism of CCF intellectuals and CIA financing. A year later Norman Mailer, in his novel *The Armies of the Night,* would describe the CCF intellectuals as "cockroaches in a slum sink." Only a rare few intellectuals, such as the historian Arthur M. Schlesinger Jr., dared to defend the CIA's financing of organizations such as the CCF. He reasoned that it was acceptable "to provide some of these groups subsidies to help them do better what they were doing anyway."[25] In fact, in the polarization between the moderate liberal intellectuals and the New Left intelligentsia, the affair was a crucial moment—for the first time the New Left had found a concrete issue with which to pummel CCF intellectuals. The moral and intellectual authority of moderate liberals was thus shattered.

However, the most significant victim of the scandal, and the one that suffered the most prolonged consequences, was the people-state relationship. Clearly, given the extensive press coverage of the affair and the number and diversity of people and organizations involved, this scandal contributed substantially to the sharp decline in the trust of the American people in their government, as measured in 1968. Moreover, the scandal prepared the American people for the shock to come with the Watergate scandal. In 1974 the Trust in Government Index dropped to a 29 percent positive rating, which was less than half of the 61 percent in 1966. Ever since, the rating has never been higher than 47 percent (in 1986). This makes 1967 a crucial year for the people-state relationship: the pre-1967 trust level has never been restored; indeed, trust ratings have continued to deteriorate steadily.[26]

Conclusion: The Importance of Political Climates of Opinion

The change in the political climate and journalistic culture in the second half of the 1960s was crucial to the development of this first CIA scandal. The initial stories in 1964 and 1966 about secret CIA financing did cause a stir but did not lead to a scandal. A political climate that had not yet become polarized, a public that still had faith in its government, and an established press that lacked a critical edge offer explanations for this quietude. A new generation of investigative journalists, the rise of the underground press, the rapid development of resistance to the Vietnam War, and related political radicalization created

[25] Berghahn, *America and the Intellectual Cold Wars in Europe,* 246; Coleman, *Liberal Conspiracy,* 230; Henry David Aiken, et al., "A Statement on the CIA," *Partisan Review,* 34 (Summer 1967), 463–64; Christopher Lasch, "The Cultural Cold War," *Nation,* Sept. 11, 1967, pp. 198–212; Norman Mailer, *The Armies of the Night: History as Novel, the Novel as History* (London, 1968), 85; Arthur M. Schlesinger Jr. quoted in Coleman, *Liberal Conspiracy,* 231.

[26] "Trust in Government Index."

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the catalysts for a fundamentally different perception of and approach to the government by the press and the public. Lull and Hinerman's thesis, that a scandal is created not only by the media but also by the public, certainly holds true in this case. What about other CIA-related scandals? The 1986–1987 Iran-Contra affair and the war on terror scandals of the early twenty-first century present—tentatively—relevant and interesting cases.[27]

In the second half of the 1980s the American media landscape, as well as the political climate of opinion, was very different from the 1960s. Investigative journalism had become part of the established press, including television news shows such as *60 Minutes,* and the underground press had lost its watchdog position years earlier. Right before the Iran-Contra scandal erupted the Trust in Government ratings had reached a post–Watergate era high 47 percent, running parallel to President Ronald Reagan's popularity rates. In May 1986 he received a 68 percent job-approval rating, which was the highest of his administration. In November 1986 it was revealed that the United States had sold weapons to Iran (which was the subject of an arms embargo) in exchange for the release of U.S. hostages in Lebanon. Part of the proceeds from the weapons sale was used to support the Contra rebels in their efforts to overthrow the left-wing Nicaraguan government, against the ban in the Boland Amendment (1984) to do so. The CIA had played a crucial role by facilitating the transfer of money to the Contras. The arms sale was first exposed by the Lebanese magazine *Ash-Shiraa* and subsequently investigated by the American press. President Reagan claimed ignorance and quickly created the Tower Commission to explore the case. The scandal escalated when it turned out that one of the witnesses, Lt. Col. Oliver North, had destroyed crucial documents, which made it impossible for the Tower Commission and the later-installed congressional investigation committee to determine presidential responsibility in the illegal activities, particularly regarding the money transfer to the Contras. The affair, covered extensively by the media, did substantial harm to the Reagan presidency even though the American people had already known for almost two decades that the government and its agencies were not as upstanding as might be expected. In early December Reagan's popularity ratings plummeted from 68 percent to 47 percent and they remained low during 1987. Trust in Government ratings fell to 34 percent in 1988.[28]

The people's apparent appreciation of Reagan's administration before November 1986 seems to contradict Lull and Hinerman's hypothesis. Why did the scandal erupt in a climate of positive opinion? With proviso one might argue that the second element of the case in particular, the U.S. support of the Contras, triggered the public's indignation and caused the affair to develop into scandal. It is not unlikely that for most Americans the selling of arms to Iran in exchange for the freedom of American hostages was not a very big issue. However, the discovery that the Boland Amendment (which had taken years of congressional debates) was being deliberately neglected offended the majority of Americans, who had expressed themselves against such support of the Contras. Neglecting congressional legislation was showing disdain for the American people, and this captured the attention and

[27] Lull and Hinerman, "Search for Scandal," 16.

[28] "Trust in Government Index"; Frank Newport, Jeffrey M. Jones, and Lydia Saad, "Ronald Reagan from the People's Perspective: A Gallup Poll Review," June 7, 2004, *Gallup,* http://www.gallup.com/poll/11887/ronald-reagan-from-peoples-perspective-gallup-poll-review.aspx, para. 13; Melissa B. Mahle, *Denial and Deception: An Insider's View of the CIA* (Orlando, 2005), 17–32; Woodward, *Veil,* 580.

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triggered the anger of the press and public and allowed the affair to turn into a scandal. Democratic victories in the November 1986 congressional elections resulted in a Democratic majority in the Senate and empowered Reagan's opponents, making it possible to form a joint House-Senate investigating committee. This panel, as well as the Tower Commission, accused the CIA of manipulating intelligence in a way that subverted democratic processes.[29]

The more recent CIA war on terror scandals tend to confirm Lull and Hinerman's proposition. Again the media landscape had transformed considerably. New media such as Facebook, as well as cell phone cameras, in particular, had changed the speed of news and created new sources. Access to information had expanded tremendously, which affected traditional media. Increasingly, Web sites, blogs, or pictures taken with cell phones offered newsworthy information. Three major stories erupted into scandals in the 2005–2007 period. In late 2005 several newspapers and magazines, in particular the *Washington Post* and the *New Yorker,* reported extensively on the CIA's use of "black sites" (secret internment facilities around the world) in the war on terror. President George W. Bush acknowledged the practice in a speech on September 6, 2006. The CIA's application of waterboarding and other forms of torture to extract information in the interrogation of extrajudicial prisoners such as alleged Al-Qaeda sympathizers had been known for some time before it turned into a scandal in the spring of 2007. The participation of security personnel from the private firm Blackwater Worldwide in CIA operations came into the open when, on September 16, 2007, seventeen Iraqi civilians were killed in Nisour Square in Baghdad by a convoy of Blackwater guards armed with automatic rifles. Although the hiring of private firms for the protection of American diplomats had been common for years, the Nisour Square killings set off investigations that revealed that Blackwater personnel played central roles in some of the CIA's most sensitive activities, such as clandestine raids against suspects of insurgency and the transportation of detainees.[30]

Late in 2005 the war on terror had been going on for four years in Afghanistan and for two years in Iraq, and the American people had started to become weary of it, fearing another Vietnam War–like quagmire. In February 2005, 35 percent of Americans expressed themselves dissatisfied with the way things were going for the United States in the war on terrorism; in late August the rate had increased to 49 percent, a percentage that changed little for years. There has been a similar decline in the Trust in Government ratings: from a 37 percent positive score in 2004 to 26 percent in 2008. Again, as in 1967, dissatisfaction with the government created a climate of opinion in which the revelation of CIA abuses could easily turn into scandals, which in turn contributed to the deterioration of the people-state relationship.[31]

[29] Mackenzie, *Secrets,* 119; Jeffreys-Jones, *CIA and American Democracy,* 246.

[30] Dana Priest, "CIA Holds Terror Suspects in Secret Prisons," *Washington Post,* Nov. 2, 2005, http://washingtonpost.com/wp-dyn/content/article/2005/11/01/AR2005110101644.html; Jane Mayer, "Outsourcing Torture: Annals of Justice," *New Yorker,* Feb. 14, 2005, pp. 108–9; McCoy, *Question of Torture,* 117, 121–24; Scott Shane, David Johnston, and James Risen, "Secret U.S. Endorsement of Severe Interrogations," *New York Times,* Oct. 4, 2007, http://www.nytimes.com/2007/10/04/washington/04interrogate.html; George W. Bush, "Trying Detainees: Address on the Creation of Military Commissions," Sept. 6, 2006, *PresidentialRhetoric.com,* http://www.presidentialrhetoric.com/speeches/09.06.06.html; "Blackwater Worldwide."

[31] "War on Terrorism," May 5–8, 2011, *Gallup,* http://www.gallup.com/poll/5257/War-Terrorism.aspx; "Trust in Government Index."

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The 1967 CIA scandal readied the American people for the deep shock of Watergate, just as the investigative journalists of *Ramparts* prepared the way for the Bob Woodwards and Carl Bernsteins of the 1970s. Americans have more or less become used to scandals in which the CIA or other government agencies are involved. With each new scandal come the same reactions: the public is shocked, reputations are shattered, responsible persons are punished (or not), and reforms are made or just promised. The 1967 case, together with other forces, contributed to the start of a more-than-forty-year process of disintegration of the "cement of democracy." Although Watergate caused an all-time low in the people-state relationship, the scandal of 1967 was its trailblazer.

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